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New York

President:	Mr. Chowdhury	(Bangladesh)
Members:	Argentina	Mr. Cappagli
	Canada	Mr. Fowler
	China	Mr. Wang Yingfan
	France	Mr. Levitte
	Jamaica	Mr. Ward
	Malaysia	Mr. Hasmy
	Mali	Mr. Ouane
	Namibia	Mrs. Ashipala-Musavyi
	Netherlands	Mr. van Walsum
	Russian Federation	Mr. Lavrov
	Tunisia	Mr. Ben Mustapha
	Ukraine	Mr. Yel'chenko
	United Kingdom of Great Britain and Northern Ireland	Sir Jeremy Greenstock
	United States of America	Mr. Cunningham

Agenda

The situation between Iraq and Kuwait

Report of the Secretary-General pursuant to paragraphs 28 and 30 of resolution 1284 (1999) and paragraph 5 of resolution 1281 (1999) (S/2000/208)

00-35907 (E)

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The meeting was called to order at 10.45 a.m.

Adoption of the agenda

The agenda was adopted.

The situation between Iraq and Kuwait

Report of the Secretary-General pursuant to paragraphs 28 and 30 of resolution 1284 (1999) and paragraph 5 of resolution 1281 (1999) (S/2000/208)

The President: The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

Members of the Council have before them the report of the Secretary-General pursuant to paragraphs 28 and 30 of resolution 1284 (1999) and paragraph 5 of resolution 1281 (1999), document S/2000/208, and the letter dated 22 March 2000 from the Chairman of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait, document S/2000/242, transmitting the report of the Committee pursuant to paragraph 10 of Security Council resolution 1281 (1999).

I now have the pleasure of calling on the Secretary-General.

The Secretary-General: My report is already in the Council's hands. If I may, I will make just a few brief remarks about the oil-for-food programme, limiting myself to the humanitarian aspects of resolution 1284 (1999) and the actions that they call for from the United Nations.

I also have with me Ms. Carol Bellamy, Executive Director of the United Nations Children's Fund (UNICEF), and Mr. Benon Sevan, Executive Director of the Iraq Programme, who will be available to answer any questions the Council may have.

As the Council knows, the oil-for-food programme has been in existence for a little over three years. Its purpose is to alleviate the impact of sanctions on the Iraqi population, since they are not its direct targets. It has undoubtedly brought them some relief, but many of the essential needs of the population remain unsatisfied.

In its original form, it was subject to tight restrictions, both on the types of goods Iraq was allowed to import, which were limited to food and medicine and other strictly humanitarian items, and on the revenue it was allowed to generate by oil exports. Since then, as a result of decisions made by this Council over the past three years, the list of items Iraq is allowed to import has been considerably expanded and liberalized. Now, under the terms of resolution 1284 (1999), the ceiling on oil exports has been completely eliminated.

Furthermore, the recent rise in the price of oil has greatly increased the value of the exports, with the result that a much larger income is now available for the programme. However, Iraq's oil industry is seriously hampered by a lack of spare parts and equipment, and this threatens to undermine the programme's income in the long term. That is why I have repeatedly recommended a significant increase in the allocation of resources under the programme for the purchase of spare parts for the oil industry.

I understand that the Council is now ready to consider these recommendations favourably, and I would very much welcome that. But I should also mention that many of the holds on contract applications, imposed by members of the Committee established pursuant to resolution 661 (1990), do have a direct negative impact on the humanitarian programme and on efforts to rehabilitate Iraq's infrastructure, most of which is in appalling disrepair. We need a mechanism to review these holds, in order to ensure the smooth functioning of the programme.

Of course, we also need the cooperation of the Government of Iraq. I would urge it to take all necessary steps to ensure the effective and prompt distribution of the imported items. I am sure that, if the programme as amended by resolution 1284 (1999) is fully implemented, there will soon be a considerable improvement in the humanitarian situation. But let us be under no illusions: even if it is implemented perfectly, it is possible that our efforts will prove insufficient to satisfy the population's needs. The Council therefore needs to keep the effectiveness and impact of the programme constantly under review and take further steps to improve it should that prove necessary.

Let me conclude by saying that the humanitarian situation in Iraq poses a serious moral dilemma for this Organization. The United Nations has always been on the side of the vulnerable and the weak and has always

sought to relieve suffering. Yet here we are accused of causing suffering to an entire population. We are in danger of losing the argument, or the propaganda war — if we have not lost it already — about who is responsible for this situation in Iraq: President Saddam Hussein or the United Nations.

I am particularly concerned about the situation of Iraqi children, whose suffering and, in all too many cases, untimely death, have been documented in the report prepared last year by UNICEF and the Iraqi Ministry of Health. That report, which has been echoed by many other observers, showed that, in the centre and south of Iraq, infant mortality and morbidity have increased dramatically and reached unacceptable levels.

We cannot in all conscience ignore such reports, or assume that they are wrong. It is imperative that we all — the Secretariat, the Council and the Committee established by resolution 661 (1990) — implement fully and expeditiously what the Council's resolutions demand of us. I am very happy, therefore, to hear that the Committee is now ready to give us the list of drugs and other medical supplies which, under resolution 1284 (1999), the Secretariat will henceforth be able to approve on its own authority. Indeed, the Council should seek every opportunity to alleviate the suffering of the population. For, after all, they are not the intended targets of sanctions.

That said, all of us must realize that the people of a State which is the object of sanctions must always, in some degree, be victims — often, victims both of their own Government and of the measures taken against it. The only satisfactory outcome of any such situation is for the State in question to return to full compliance with the decisions of the Council, so that sanctions can be ended as quickly as possible. I have no doubt that all of us look forward with impatience to the day when that will happen in the case of Iraq.

The President: I thank the Secretary-General for his important statement and for his presence with us this morning.

Mr. van Walsum (Netherlands): Let me begin by thanking you, Mr. President, for having so graciously postponed this meeting until after my return from Africa. I owe this special consideration to my chairmanship of the sanctions Committee established by resolution 661 (1990), but I will not speak in that capacity, for this is a time for national positions to be taken. There is only one brief observation I would like to make as Chairman of the sanctions Committee, and that is that I am still waiting for the green light from Baghdad for my visit to Iraq, in compliance with the note by the President of the Security Council of 29 January 1999. I thought it might be useful if I stated this in public, for people keep asking me why I have not been to Iraq yet. Such questions are hereby referred to the representative of Iraq.

I join other speakers in thanking the Secretary-General, both for his comprehensive report and for the brief remarks he made at the beginning of this meeting. It is not customary to make separate mention of the Secretariat if one has already addressed the Secretary-General, but in this case I would like to make an exception by expressing my deep appreciation for all the — often thankless — tasks accomplished by the collaborators of the Office of the Iraq Programme and all other United Nations staff engaged in the execution of the humanitarian programme, both in New York and in Iraq.

There is a striking contrast between the Secretary-General's report, which provides information on the progress made in meeting the humanitarian needs of the Iraqi people, and the alarming messages we receive from various quarters calling for swift and decisive action to halt and reverse the long-standing humanitarian emergency in Iraq. The two observations, however, are not incompatible. As is pointed out in the Secretary-General's report, the humanitarian programme established pursuant to resolution 986 (1995) is implemented within the context of a sanctions regime and should not, therefore, be confused with a development programme. The sanctions regime will come to an end as soon as the Government of Iraq meets its obligations under the relevant Security Council resolutions, notably resolution 687 (1991).

That is the swiftest and most decisive action we can envisage to halt and reverse the long-standing humanitarian emergency in Iraq. None of the resolutions I have just referred to was ever intended to continue to be in force in the twenty-first century. We are dealing with a programme which was essentially devised as an emergency measure and, as the Secretary-General points out in his report, was never intended to meet all the humanitarian needs of the Iraqi people.

In the case of Iraq, it is, of course, futile to try to present the Security Council's position as a unified stand. True, we are all concerned about the humanitarian situation in Iraq and we all want to prevent Iraq from

developing or acquiring weapons of mass destruction, but, one step beyond that consensus, political divergences immediately come into play. It is clear that some delegations have an interest in playing down Iraq's appetite for prohibited weaponry, whereas others may feel a need not to be seen to be soft on Iraq at this time.

Below this checkered surface, however, there is a remarkable degree of consensus, which the delegation of Iraq may well fail to see if it continues to clutch at the fact that resolution 1284 (1999) was adopted with four abstentions. That consensus is that Iraq has yet to convince the international community that it has really abandoned its dream of developing weapons of mass destruction.

Iraq is the only country in modern history that has not only attempted to develop all categories of weapons of mass destruction — nuclear, biological and chemical — but has actually used such weapons, both against a foreign enemy and against its own citizens. In doing so, Iraq has placed itself into a league of its own.

Another point of consensus is that, given the absence of a democratic system of government, the Iraqi people should not be made to suffer for the irresponsible behaviour of its leaders. We therefore unanimously welcomed part C of resolution 1284 (1999), which provides the Secretariat, the Council and the sanctions Committee established by resolution 661 (1990) with a legal basis for measures that should significantly improve the humanitarian situation.

In implementation of these provisions, the oil ceiling has been lifted; lists of foodstuffs and basic or standard educational items not requiring sanctions Committee approval any longer have been approved; other contracts are being circulated under a two-day no-objection procedure; while the sanctions Committee is in the process of establishing a group of experts to approve speedily contracts for parts and equipments for the Iraqi oil industry. In this regard, it goes without saying that the Netherlands supports the Secretary-General's recommendation to increase the allocation for oil spare parts and equipment from $300 million to $600 million in phases VI and VII. We have repeatedly stated that it cannot be our aim to make the Iraqi oil industry unsafe or environmentally hazardous. Together with the imminent approval of lists of other humanitarian items mentioned in operative paragraph 17 of resolution 1284 (1999) in the fields of health and agriculture, the implementation of the provisions regarding the establishment of a cash component and extended monitoring arrangements, all these measures may be expected to help alleviate the humanitarian situation in Iraq before long.

These improvements will inevitably result in a strongly increased focus on the remaining problem of the holds. Credit is due to those delegations which possess both the required resources and the political will to scrutinize all contracts for dual-use potential. Delegations that do not assume any responsibility in this regard are not in the best of positions to criticize other delegations which take these duties seriously. Nevertheless, we consider the current amount of applications placed on hold intolerably high. It is clear that a more sustained effort to reduce this amount is urgently required. We do not expect the delegations concerned to diminish their dual-use alertness, but they should be equally aware of the humanitarian impact — for instance, in the field of water purification — of their decisions. If these decisions are inevitable on account of dual-use concerns, everything must be done to improve procedures and speed up decisions. The holds problem can also be alleviated by giving guidance to implementing agencies on how they can better assist the Committee in their monitoring, observation and reporting duties in order to provide the necessary assurance on the end-use of items in Iraq.

Within the legal framework of the relevant Security Council resolutions, the humanitarian situation is currently being improved and further improvements are on the way. However, there is a recurring theme which has plagued the humanitarian programme since its inception, and that is Iraq's determination to prove to the world that the only way to improve the humanitarian situation is to lift the sanctions altogether. It is this determination that has repeatedly led the Iraqi authorities to block improvements held out by the United Nations within the parameters of the existing sanctions regime, in utter disregard of the interests of their own population. This phenomenon runs like a thread through the history of the sanctions regime under resolution 661 (1990), from Iraq's refusal for almost two years to accept the oil-for-food programme to its recent rejection of an arrangement for the Hajj, which was based on a proposal of the Russian Federation and supported by all 15 members of the Security Council.

Dealing as it is with a regime which has a high tolerance for the hardship it inflicts on its own subjects, the international community is almost defenceless against this approach. It is therefore not surprising that, in combination with all the negative reports on the

humanitarian situation in the country, this determination on the part of the Iraqi Government does induce some people to accept the conclusion that lifting the sanctions is the only way out of the quandary. It is, however, not likely to sway the Security Council.

Resolution 1284 (1999), including its part A on disarmament, was adopted with four abstentions, three of which were pronounced by permanent members that could have blocked its adoption had they chosen to do so. Iraq is deceiving itself if, on account of this result of the vote, it considers the resolution less than binding. The Security Council means business. The appointment of Mr. Blix as Executive Chairman of the United Nations Monitoring, Verification and Inspection Commission (UNMOVIC) was approved unanimously. If Iraq continues to insist that the humanitarian situation cannot be improved as long as the sanctions are in place, it only needs to accept resolution 1284 (1999) and invite UNMOVIC to start its work in Iraq under operative paragraph 7. In this manner, it is likely to achieve the suspension of the sanctions before the end of this year. My delegation urges the Government of Iraq to opt for that course of action, not least for the sake of the Iraqi people.

Mr. Lavrov (Russian Federation) (*spoke in Russian*): I wish to begin by expressing our gratitude to the Secretary-General for his report and for his introduction of it today. I also wish to commend the work of the Office of the Iraq Programme and to pay tribute to all its personnel working in Iraq in very difficult conditions.

The report of the Secretary-General, which is based on a broad range of facts, shows clearly that the scale of the humanitarian catastrophe in Iraq is inexorably leading to the disintegration of the very fabric of civil society there. The economic consequences of the many years of sanctions have been reflected in all aspects of the lives of the people of the country. The total impoverishment of the population — which obviously falls short of generally recognized health standards — serious employment problems, the impossibility of having a normally functioning educational system and other problems have led to a situation where an entire generation of Iraqis has been physically and morally crippled. They are in essence outcasts of the world community.

The industrial infrastructure of Iraq has been damaged, including the water supply and the energy and communications sectors. The few remaining means of transportation cannot provide for the sustainable distribution of food and medicine. The epidemiological situation in the country poses a threat on a regional scale. Mortality rates among the most vulnerable groups of the population have reached threatening proportions, as stated in the reports of the United Nations Children's Fund (UNICEF).

A more detailed picture of the situation is provided by many publications and by the evaluations of people who work, or have worked, directly in Iraq. Like other members of the Security Council, I believe, I have received a letter from Mr. Dennis Halliday, who used to be the Humanitarian Coordinator for Iraq. Although he has retired, he still continues to draw attention to the tragic situation in that country. Under those conditions, the steps being taken in the framework of the United Nations humanitarian programme can barely ensure the physical survival of the people, although, on the whole, the programme is the only lifeline making it possible not to break ties with the outside world.

As members are aware, the main pillar of the Iraqi economy is the extraction and export of oil. A reduction or suspension in oil exports could lead to even more dire humanitarian consequences. We agree with the Secretary-General's assessment, based on the views of the group of oil experts that visited Iraq, of the catastrophic state of the oil infrastructure in Iraq. One of the reasons for this is the lack of spare parts needed for the rehabilitation of Iraq's oil industry.

It is gratifying that the Security Council is finally prepared to respond to the recommendations of the Secretary-General and to double the financial resources being allocated to Iraq to buy spare parts and equipment for its oil industry. We hope that the appropriate decision will be taken in the coming days. It is important, however, that the new sum to be endorsed — that is, $600 million every six months — really gets to Iraq and that the contracts for spare parts and equipment not be blocked in the sanctions Committee, otherwise there would be no point to that decision.

I would like to draw the Council's attention to the fact that according to Secretariat data there are now many contracts for spare parts on hold in the sanctions Committee — specifically $43 million for phase IV, $125 million for phase V and $174 million for phase VI. I therefore would like to reiterate that, apart from the fact that we are doubling the sum allowed for buying spare parts and equipment, we should also draw attention to the problem of the holds in the sanctions Committee.

We take note of the fact that the Secretariat has prepared draft procedures for the work of the group of oil experts, whose duties will include the approval of contracts for the export to Iraq of spare parts and equipment. We expect the sanctions Committee to endorse those procedures very soon.

Much also remains to be done for the practical implementation of other measures envisaged under the humanitarian part of resolution 1284 (1999). Almost four months after its adoption, we must note that the implementation of those measures has been slow, to put it mildly. This involves primarily speeding up and simplifying procedures for the consideration and endorsement of humanitarian contracts. We deem it necessary to reach agreement on the classification of humanitarian goods in the medical and agricultural sectors as soon as possible. Requests for the delivery of such goods to Iraq would be approved bypassing the sanctions Committee.

We also call on the Secretary-General and all interested parties to work out practical measures as soon as possible to utilize cash components in Iraq to buy goods and train local staff.

We agree with the concerns repeatedly expressed by the Secretary-General about the fact that certain problems have not yet been resolved, such as shifting unused resources from the 13 per cent account to the 53 per cent account under joint purchases of food and medication. We believe that the sanctions Committee should work more actively in order to minimize the time needed to implement all procedures regulating the implementation of the humanitarian operation. There are also some shortcomings in the work of experts from the Saybolt Company and Cotecna, as well as the Banque nationale de Paris, who do not always carry out quickly the necessary measures, something that is crucial to ensuring the uninterrupted delivery of goods to Iraq.

The blocking by certain delegations of humanitarian contracts in the sanctions Committee continues to pose a serious threat to the implementation of the humanitarian programme. I have already spoken of holds being placed on contracts for spare parts, a problem that is also typical in the case of humanitarian goods. According to Secretariat data, in the Committee to date humanitarian contracts are being blocked to the tune of $1,747 million. Completely artificial pretexts are trumped up in order to place on hold contracts to deliver acutely needed equipment to rehabilitate electrical power stations, medical equipment, vehicular transport and communications resources.

The situation with regard to holds is obviously artificial in nature. This is borne out by the fact that contracts from certain countries are put on hold, whereas requests for deliveries of similar goods from other countries are endorsed without any problem. Continuing this practice devalues any efforts the United Nations is proposing to make to ease the consequences of the humanitarian crisis in Iraq. We call upon the delegations concerned to review their approach and fully implement the deliveries contained in Security Council resolutions.

Today we cannot fail to react to another problem that has been pointed out. The socio-economic and humanitarian situation in Iraq is worsening because civilian facilities in Iraq are constantly the targets of air strikes by the United States and Great Britain. This is happening in the so-called no-flight zones established unilaterally, without the United Nations taking any decision, and which encompass almost 65 per cent of Iraq's territory.

Our data show that United States and United Kingdom aircraft invaded Iraqi airspace nearly 20,000 times between December 1998 and mid-March 2000. We are particularly concerned about reports of strikes against facilities that are being used in the United Nations humanitarian operation, in particular against food-distribution warehouses and against metering stations along oil pipelines.

According to these analyses, 42 per cent of these air strikes have resulted in human casualties. Over the past year, 144 innocent civilians have died and 466 people have been wounded as a result of these air strikes. Our data show that 57 people have been killed and 133 wounded in southern Iraq, and that 87 people have been killed and 313 wounded in the north. Claims that these strikes were not directed against civilian targets do not hold water. Facts — including facts from international experts — attest to the contrary. Nor does the notion that these air strikes were in retaliation for actions by Iraqi anti-aircraft defences hold water: our data show that facilities unrelated to anti-aircraft defence systems are being hit.

The bombs endanger United Nations personnel, who in a number of cases had to be evacuated from the areas where they were working because of the air strikes. We consider that the air strikes, along with actions,

circumventing the Security Council, to undermine the Iraqi regime, create a very negative political backdrop for efforts to speedily resume cooperation between the United Nations and Baghdad, including in the area of disarmament. I believe it is inadmissible to call upon Iraq to cooperate while at the same continuing to bomb Iraqi territory. In those circumstances, it is hardly likely that it will be possible to deploy a new disarmament monitoring system in Iraq — something that is crucial to implement the decisions of the Security Council and to ensure that Iraq no longer poses a threat to regional peace and security and that it will not in the future resume its programme of weapons of mass destruction.

The humanitarian programme, for all the importance we attach to it, cannot radically change the situation; at best, it has limited effects. We are convinced that there can be no significant improvement in the humanitarian and socio-economic situation in Iraq under the sanctions regime. There is only one way out of this impasse, as the Council agrees: sanctions must be suspended in the context of a resumption of disarmament monitoring in Iraq in keeping with resolution 1284 (1999).

In connection with the humanitarian programme, we must not forget that, ultimately, only comprehensive implementation of resolution 1284 (1999) can prevent the disintegration of civil society in Iraq. How, specifically, we implement the disarmament part of that resolution — and what political backdrop will be created for that implementation — will to a great extent determine the solution of other problems we are currently discussing.

Mr. Cunningham (United States of America): The Council has three goals today: to review the sanctions on Iraq, to examine the state of Iraq's oil production capacity and look to allocations in that field, and to assess progress on the humanitarian sections of resolution 1284 (1999). Taking a comprehensive look at the humanitarian situation to focus improvements even more sharply is also a process envisaged in that resolution. Today my delegation will offer constructive ideas in all of these areas. Given the questions posed in recent weeks about the situation in Iraq, I hope it will be helpful to the Council to review fully how the United States approaches this important subject.

To accomplish our first goal — assessing Iraqi sanctions — it would be useful to recall how we got here in the first place. In 1990 and 1991, Iraq attempted to annihilate its neighbour, strip it of its property and resources, and seize its oil. The Security Council and a strong international response prevented Iraq from succeeding. Following the conflict, the international community decided it had to disarm Iraq of weapons of mass destruction and ensure that it would not again become a threat to international peace and security.

I trust that no one here today will suggest that that goal has been achieved. Iraq remains a threat. Unanswered questions remain in the areas of nuclear, chemical and biological weapons, and of the missiles to deliver them. And, given the long pattern of unacceptable Iraqi behaviour, including public rejection of resolution 1284 (1999), there will be a need to monitor Iraq's weapons of mass destruction capability for some time to come. In the meantime, sanctions are the leverage the international community has to get the Government of Iraq to comply with Security Council resolutions. That is the goal. And, as the Secretary-General just told us, that is the solution. But so long as Iraq is not meeting its obligations under Security Council resolutions, sanctions remain essential.

I would like to speak now about Iraq's responsibilities. As the Secretary-General's report makes clear, the oil-for-food programme will never supplant the responsibilities of the Government of Iraq to provide for the needs of its people. It was designed to alleviate the impact of sanctions on the Iraqi people. But because Iraq continues to evade its obligations, sanctions have continued for a period unimagined. At the same time, the Iraqi regime's refusal over time to fulfil its responsibilities to care for and feed its own people was also unimagined and still remains hard to comprehend.

A country that once spent a billion dollars on education sustains a bloated military-industrial complex instead. Iraq has consistently underspent on education, and has chosen to build palaces over building schools. Even now, seven phases into the programme, Iraq consistently under-orders foodstuffs and has never met the minimum calorie and protein targets set by the Secretary-General, despite record-setting revenues under the oil-for-food programme.

My delegation has circulated a set of printed charts to which I would like to refer in the course of my discussion. Chart 1 shows that, despite growing revenues and despite daily caloric values for the Iraqi people of less than the Secretary-General's recommendation of 2,463 kilocalories per person per day, the purchase of food has remained flat. Even when given the opportunity properly to feed the Iraqi population, the Government of Iraq chooses not to do so.

In the meantime, the Iraqi regime has found the money and the personnel to sow tens of thousands of landmines within its own borders. Landmines placed by the regime between 1992 and 1997 have caused more than 15,000 casualties, of which 15 per cent were children. The Secretary-General tells us that in areas where the United Nations has been able to conduct demining, significant progress has been made in agriculture and reforestation. Sadly, this kind of improvement has occurred only in the north because Iraq has banned — placed a permanent hold on, if you will — United Nations demining activity anywhere else in the country.

No one denies that Iraq's poor oilfield management practices and lack of spare parts have resulted in critical circumstances for its oil production capacity. Yet, at the same time, Iraq has converted container ports into oil depots and has brought on line new facilities to export petroleum products in order to steal money via smuggling, money that otherwise would have been destined to the escrow account and the Iraqi people.

While Iraq was asking for needed international drought relief assistance, it obtained the resources needed to drain the southern Amarah and Hámmar marshes, causing environmental damage of historic proportions and destroying entire villages. Saddam Hussein was able to build the private lakes around his palaces and build amusement parks for the elite. We have an example in visual aid 2, which is a photograph of the Abu Ghuray'b Presidential Grounds. We can see the water devoted to that particular installation — not to mention the palace itself.

The warehousing of supplies, the wilful neglect of specific humanitarian sectors, such as the food basket, the under-ordering of medicines and nutritional supplements, the siphoning off of goods to agents of the regime, the illegal re-exportation of humanitarian supplies, the establishment of front companies, the payment of kickbacks to manipulate and gain from oil-for-food contracts — these and other practices are well documented. Such abuses ebb and flow at the whim of Iraq's leadership.

Many of our friends have privately complained about Iraq's subtle and not-so-subtle intimidation of companies that have filed claims with the Compensation Commission. Agents of the regime have pressured them to drop those claims in order to be considered for contracts in the oil-for-food programme. An informal system metes out economic reward and punishment, both inside Iraq and out, to companies and nations in exchange for perceived political support.

Iraq is not fulfilling its responsibilities. It is hard to measure the impact of Iraqi obstruction on the broadest scale. For example, the fact that the Government of Iraq refuses to divulge or make transparent financial figures and statistics makes it difficult, if not impossible, to judge the country's general economic situation. Iraq's tendency to keep printing currency to finance its budget deficits fuels the rise in local prices for staple foods.

The United Nations and others have documented three ongoing Iraqi Government tactics that, to say the least, have a negative impact on the population: the indiscriminate bombardment of civilian settlements and arbitrary killings; the arbitrary arrest and detention of suspected criminals and so-called traitors; and forced displacement. The no-fly zones were established to alleviate the most egregious examples of attacks on the vulnerable population groups in the north and south. While no-fly zone patrols cannot prevent every depredation against Iraqi minorities, their enforcement has prevented wholesale genocide. In terms of arbitrary arrest, the human rights Rapporteur points out that in Iraq there is no freedom of speech or action, since the mere suggestion that someone is not a supporter of the President carries the prospect of the death penalty. This should be kept in mind when we are confronted in United Nations reports with statistics whose main source is the regime.

Finally, Iraq remains the country with the highest number of disappearances reported to the Working Group on Enforced or Involuntary Disappearances. Moreover, persons displaced by the regime are deprived of needed humanitarian relief on the grounds that they are "temporary residents" of the places to which they have been banished.

The key areas I have just cited are directly mentioned in paragraph 27 of Security Council resolution 1284 (1999). That paragraph outlines specific tasks Iraq must perform to do its part to assuage the suffering of the Iraqi people. My delegation would like more information on what Iraq has or has not done in this regard, since the Secretary-General's report did not detail this needed area of implementation.

Let us be clear. Sanctions by themselves are not the problem. The sanctions on Iraq have never targeted the Iraqi people and have not limited the import of food and medicine. Where there has been deprivation in Iraq, the Iraqi regime is responsible, due to both its failure to meet its obligations under Security Council resolutions and its

cynical manipulation of civilian suffering in an effort to obtain the lifting of sanctions without compliance.

I have already mentioned the concerns addressed by two of the special assessment panels created by the Council early last year, and this is a good time to mention the third — the people of Kuwait. If our humanitarian regard is genuine, we must not forget or neglect the families of those who remain missing since Iraq's invasion and occupation of their country. We must not forget that the Iraqi regime is accountable for those innocent civilians and has failed utterly to meet its obligation to account for them.

Similarly, we must not forget that the victims of Iraqi aggression were not only Kuwaitis. Thousands of individuals from Egypt, Jordan, Bangladesh, Pakistan and a score of other nations lost property, savings or livelihood. They are justly recouping a share of their losses through the objective and efficient mechanism of the United Nations Compensation Commission. More than 5 billion dollars has been disbursed to date to claimants in dozens of countries.

Let me discuss for a moment the efforts to improve oil-for-food and north versus south. Had the Government of Iraq not waited years to decide to accept the oil-for-food agreement proposed as early as 1991, millions of innocent people would have avoided serious and prolonged suffering. We should recall that the first shipment under oil-for-food did not take place until March of 1997. Even when Baghdad accepted the oil-for-food programme, it cut off the flow of oil on several occasions, taking millions of dollars away from the programme, most recently in December of 1999. We trust Iraq will not wait five years to accept resolution 1284 (1999), with its important means to expand humanitarian support. But there is also little we can do about Iraq's cynical manipulation of its oil exports and its people. Our challenge here in this Council is how to improve the humanitarian situation despite Iraqi obstruction.

The oil-for-food programme is the largest humanitarian programme in United Nations history. While there have been growing pains, look at the notable successes in its three years of existence: 13 million tons of food have been delivered to the Iraqi people, and food imports are now nearly reaching pre-war levels, as can be seen in the graph in visual aid 3. Successful veterinary vaccination programmes have controlled livestock epidemics and expanded production of poultry and eggs. One billion dollars' worth of health commodities have been approved by the Committee established by resolution 661 (1990), and 90 per cent of the drug needs of hospital patients are being met.

Over $1 billion worth of inputs to other sectors have already arrived in Iraq. An additional $1.5 billion worth of goods have been approved by the Committee but have not yet arrived. These numbers will continue to rise.

These numbers are, of course, composite figures for the whole country. Although all of Iraq is under the same sanctions regime and uses the same oil-for-food programme, the Secretary-General's report highlights some unfortunate differences in the humanitarian situation in the north and in the rest of Iraq. Where Baghdad is in charge of distribution, the full benefits of oil-for-food are not being achieved. Perhaps there are lessons to be learned there.

Everyone is familiar with the recent United Nations Children's Fund (UNICEF) study which found that child mortality was below pre-war levels in the north, while in the rest of Iraq the figures were tragically higher. The Secretary-General's report notes that in the north, the beneficiaries of supplementary feeding programmes have dropped from a quarter of a million to about 80,000, as the result of the effectiveness of that programme. When the UNICEF report was published, Baghdad, stung by criticism of its long-standing refusal to order nutritional supplements, finally relented and ordered them. We are grateful that the Secretary-General has now highlighted Baghdad's refusal to operate supplementary feeding programmes which the United Nations has been advocating for years. We hope all those expressing concerns about the people of Iraq will join us in pressing the Government of Iraq to provide these critically needed programmes.

In the north, full courses of drug treatment are now being provided to those suffering from chronic illness. In the rest of Iraq, citizens with these diseases are not being properly treated because of erratic, uncoordinated arrivals of needed medications. The Government of Iraq should remedy this immediately.

In the area of vaccinations, there has just been an overwhelmingly successful polio vaccination campaign in the north. Where the Government of Iraq has been in charge, there is poorer coverage in certain vaccination categories than in 1994.

We have heard the theory in this Council that conditions in the north are better than in the

Government-controlled areas of the south because the north receives more assistance per capita than the south and more attention from non-governmental organizations. But the three northern governorates, throughout the rule of Saddam Hussein, have been the victims of Government policies ranging from systematic neglect to systematic efforts at genocide. At the close of the Gulf War, a campaign by Saddam Hussein's military forces displaced approximately 1 million citizens in the north. Surely some in this room will recall the horrific ordeal of tens of thousands, including women, children and the infirm, clinging to barren mountainsides in the dead of winter. In short, the north had a long way to go when the United Nations arrived. And if there is more non-governmental organization activity in the north, it is because non-governmental organizations are welcome to operate in the north, unlike in southern and central Iraq, where the Government is openly hostile to extensive non-governmental organization operations.

Therefore, my delegation would like to offer the following proposal: if the Government of Iraq is unable to manage oil-for-food for the maximum benefit, we believe that United Nations agencies active in the north should be empowered to undertake similar programmes in the south and centre.

The bottom line is that the oil-for-food programme, while not perfect, works for the Iraqi people, and the Government of Iraq does not. The United Nations works for the Iraqi people. The Government does not. Non-governmental organizations work for the Iraqi people. The Government does not.

I would like now to address for a moment the oil sector. I would like to comment on the findings of the Secretary-General. The Council is responsible for balancing the needs of the Iraqi oil sector against the needs in other sectors, such as food and medicine.

We observe with some disappointment that the Secretary-General's report did not follow more closely the pattern laid out in his February 1998 report, which outlined needs across various sectors and the funding necessary to meet these needs. On the basis of such an approach, the Council asked the Secretary-General to instruct Saybolt to lay out a comprehensive, multi-phase plan for attaining needed revenues. The plan more than succeeded in the last phase of oil-for-food, when the $5.2 billion cap was exceeded. The Office of the Iraq Programme, Saybolt and the Council should recognize that effort as a job well done. We should not lose sight of the fact that Iraqi oil exports are at about the pre-war level, a tremendous increase from where they were less than a year ago. If Council members will look at visual aid 4 they will see that trend — how export revenues have essentially returned to pre-war levels.

Unfortunately, a comprehensive plan for the future is not outlined in the current report. The report does recommend, however, an additional $300 million allocation for the oil sector in phases VI and VII, and we support that recommendation. In fact, the United States today introduced a draft resolution that would do just that, and we look forward to its early enactment.

I have another brief observation relating to the oil sector: clearly Baghdad does not want the embarrassing facts of the extent of its gas oil smuggling laid bare. A simple Saybolt analysis of refinery production, which Iraq refuses, would show the extent to which Iraq is keeping revenues from the oil-for-food programme.

As Council delegations heard in the Multinational Interception Force briefing to the sanctions Committee yesterday, hundreds of millions of dollars' worth of gas oil are being smuggled out of Iraq, with the proceeds going not for oil-for-food humanitarian imports but to the regime and its cronies. The regime is also spending the revenue under its control to fund terrorist activities. As the United States State Department spokesman will detail later today, the Government of Iraq has constructed a new headquarters in Iraq for the terrorist group, the Mujahedin-e Khalq.

No one has seen evidence that any of this money has been spent for humanitarian relief. Quite the contrary, smuggling steals money from the oil-for-food programme and puts it to illicit purposes. If Council members will look at visual aid 5, they will find a chart that demonstrates the dramatic rise in illegal Iraqi oil exports since September.

Smuggling is at historic levels. We believe the Council should act to designate authorized routes for refined product. We propose that Al Faw, an export facility in the Gulf about to become operational, and Abu Flus, a facility currently used for smuggling oil and capable of exporting at least 100,000 barrels of oil per day, be designated for United Nations-monitored export of refined product. Such a step would have the additional value of restricting any potential use of these facilities for smuggling. As we have consistently proposed in the past, it is time to bring all of Iraq's petroleum and petroleum

product revenues under the oil-for-food programme so that the full potential of the programme can be realized. Another $500 million to $800 million annually added to the escrow account would provide an even more robust programme in all sectors.

Now I would like to say a few words about holds. The United States was the original sponsor of the oil-for-food programme, just as we were an early supporter what was then called "the comprehensive resolution", which became resolution 1284 (1999). Even as we insist on compliance, we continue to support oil-for-food and have played a key role in its implementation since its inception. The oil-for-food programme works, and works admirably, despite manipulation by the Iraqi regime. The great majority of goods requested — about 90 percent over the life of the programme so far — are approved.

There is always room for improvement, however. We will work in the Security Council and the Committee established by resolution 661 (1990) to put into action what works best. We have a number of ideas on which we are already working, and some we will suggest today.

I want to thank the Office of the Iraq Programme for the work it has done both to improve the quality of contract submissions and to highlight holds of particular concern, as was done during the drought and with regard to foot-and-mouth disease. As a result, the United States released a number of holds in both areas. In his report the Secretary-General called for the removal of a hold on a critical dredging contract for the port of Umm Qasr; and we have done so.

I want to describe our policy on reviewing and approving oil-for-food contracts. The United States review of contracts is guided by two principles that are fundamental to the Security Council's consideration of Iraq: preventing Iraq from acquiring the means to again threaten regional stability and improving the Iraqi people's humanitarian situation. Maintaining a judicious balance between these two objectives is a very serious responsibility from which the United States will not shrink.

In fact, the great preponderance of all goods requested has been approved since the oil-for-food programme began. Complaints about United States holds are focused on a small percentage of contracts presented to the sanctions Committee.

Our responsibility to the Security Council and to the region lead us to take this process very seriously. Decisions on contract holds and releases of holds by the United States are taken after careful, technical scrutiny. Political priorities play no role. While we recognize that not all Member States have the resources to assess thoroughly all contracts, it is clear, I regret to say, that some Member States that could do a thorough review have not.

Let us take a clear look at the holds the United States has. We have about 1,000 contracts on hold out of the more than 10,000 contracts received by the Secretariat. For more than one third of these contracts, we are awaiting requested information from the supplier about either the goods, the end use or the end user. As the Executive Director of the Office of the Iraq Programme noted in its recent paper on holds,

> "some 50 per cent of holds could either be avoided entirely, or the amount of time involved substantially reduced, if all concerned put more effort into the provision of appropriate and timely information."

These are called "US holds", but they are really holds caused by the failure to prepare an adequate submission.

We ask all Member States that are presenting contracts to the Committee established by resolution 661 (1990) to ensure that contract information is as complete as possible when the contract is originally submitted. For example, if one of your firms wants to sell pumps to Iraq, you should be aware that some pumps are on the list stemming from resolution 1051 (1996) — that is, the Security Council's agreed list of dual-use products. We have to know the materials used in their construction to determine whether they are dual-use. If that information is not in the contract, we have to put the contract on hold while the question is being answered. Vague terms, such as "spare parts and accessories" or "laboratory equipment" will again draw questions. Therefore, it would expedite the process and be much easier for everyone if we had the information in the original contract submission. So let us put those holds — more than one third of the total — off to the side.

There are nearly 400 holds on contracts which pose resolution 1051 (1996) or other dual-use concerns. On dual-use items that do not fall under the provisions of that resolution, many times the concerns of our experts can be satisfied through additional information or monitoring arrangements. But we are not prepared to act imprudently in providing items related to weapons of mass

destruction, particularly in the absence of monitoring and disarmament in Iraq.

We place a heavy emphasis on ensuring that dual-use items, such as those on the resolution 1051 (1996) list, are not permitted into Iraq. Until the United Nations Monitoring, Verification and Inspection Commission (UNMOVIC) and the International Atomic Energy Agency (IAEA) are able to resume their responsibilities in Iraq, including monitoring of such goods, it would be inappropriate and, indeed, dangerous to approve contracts for most such goods. We believe that every member of the Council should hold on such goods, particularly now that contracts are being marked as containing resolution 1051 (1996) items.

The Council agreed that items on the resolution 1051 (1996) list were serious enough inputs into weapons of mass destruction to require monitoring by the United Nations Special Committee (UNSCOM) or the IAEA if exported to Iraq. Yet some members are not only approving these contracts, but complaining about United States holds on such items. We would appreciate an explanation from other members, particularly those most critical of our holds on dual-use goods, providing information about their own criteria for reviewing and approving contracts on resolution 1051 (1996) items and other dual-use items — items which could enhance the Government of Iraq's ability to obtain, make or utilize weapons of mass destruction. We are surprised that the Secretary-General's report did not comment favourably on the Council's decision that weapons inspectors monitor resolution 1051 (1996) items.

Where we can improve? At the moment, the United States has 339 contracts on hold because we have not reviewed additional information that we have received. For these, the ball is clearly in our court. This category is constantly in flux, as holds are cleared out on the basis of additional information and new contracts are placed on hold because of inadequate information. Our staffing of these reviews has not kept pace with the recent sharp increase in the number of contracts presented and the new requirement to review contracts within a target of two days. We admit that it is inappropriate to keep contractors waiting for lengthy periods for responses to their additional information, and we are tightening our procedures with a goal of much quicker response times.

We are also examining our review criteria with the goal of concentrating our holds on the items of most serious concern. We began a process this week to re-examine contracts on hold against these criteria. About 90 contracts were reviewed. Of these, about 70 will be taken off hold today. This is a large percentage of the contracts for which complete information is available and resolution 1051 (1996) items are not involved. While I must admit that we began this process by looking at holds which we found the most questionable under our current standards, and that future meetings may not yield such a high percentage of holds removed, we are re-evaluating our holds in the light of current circumstances. I will be talking more later about monitoring of oil-for-food goods, and how this can also help reduce holds.

There are other categories of holds, too. We have on hold 14 oil-for-food contracts containing items destined for the unauthorized export facility at Khor al-Amaya. When there are so many urgent needs in Iraq, it is unconscionable for the Government of Iraq to divert precious resources to a facility which the Council has not decided that Iraq may use. We have repeatedly urged the Office of the Iraq Programme to withdraw these contracts in order to release funds for needed oil spare parts and equipment.

We are also holding 55 contracts for goods destined for the Basrah refinery, from which Iraq produces gas oil which it smuggles out of Iraq in violation of sanctions. The profits from this illicit trade are used by the Government of Iraq to procure items prohibited by sanctions, including luxuries for members of Saddam's inner circle. The Multinational Interception Force reported yesterday to the Committee the facts on Gulf smuggling.

We have 166 contracts on hold because they are linked to companies that have operated or are operating in violation of sanctions. Some of these companies are Iraqi fronts, operating illegally, which funnel oil-for-food programme revenues directly to the highest levels of the Iraqi regime. Information about our concerns is provided to the country capitals submitting these contracts. We ask submitting States to make every effort to ensure that all companies submitting contracts to the Committee established under resolution 661 (1990) are abiding by sanctions.

Finally, a small number of contracts — 16 of them — with irregular financial terms have been placed on hold. We regret that, to date, the sanctions Committee has been unable to reach consensus on the appropriateness of these terms.

The Council anticipated Iraqi attempts to abuse the humanitarian programme, and it wisely mandated a rigorous review process. A relatively small number of problematic contracts have not been implemented, but the vast majority have been approved. As the Secretariat reported in its analysis of holds, in most sectors, holds have caused relatively minor shortages.

In reviewing oil-for-food contracts, the United States has acted, and will continue to act, strictly and objectively in accordance with the arms-control policies defined by the Council in its resolutions. Our holds are not politically motivated, nor are they driven by calculations of commercial prospect or gain. Not all critics of our holds policy can say the same.

I should like to say a word about United Nations monitoring and reporting. The best way to reduce the number of holds is to provide some sort of guarantee that contracted goods go to approved purposes, and the best way to achieve this is through better monitoring arrangements, building on arrangements already in place. Of course, the absence of UNMOVIC and IAEA monitors significantly complicates the monitoring picture. But let us for a moment focus on other aspects of United Nations monitoring.

When the oil-for-food programme began, revenue per phase was about $2 billion and most purchases were of food and medicine. During the most recent six-month phase, revenues were over $7 billion, and most likely they will be still higher in the current phase. The growth in oil-for-food purchases has not been in food and medicine but in sectors such as electricity, water and sanitation and oil production. While food and medicine generally do not raise dual-use concerns, these other sectors may.

Despite this enormous growth, the number of United Nations monitors in Iraq has remained the same, with the exception of Saybolt and Cotecna monitors, since the programme began. We applaud the diligence of the monitors in Iraq, but increased United Nations monitoring clearly is essential to keep pace with programme growth. While we welcome any suggestions in this regard, we point to the Saybolt model as one which bears examining. The United Nations has contracted with Saybolt to do assessments of the Iraqi oil sector and to provide monitors with sectoral expertise. We think this model could be used in other sectors, such as electricity, and we want to explore this possibility with the Office of the Iraq Programme and other Member States.

In addition to being concerned about the number of monitors, we are concerned about technical expertise and a better balance between technical experts and humanitarian workers in the monitoring staff.

A third area of concern is reporting back to the Committee. Again, we call attention to the Saybolt model. The Committee should receive more information on a regular basis.

The United States is already consulting with the Office of the Iraq Programme on the measures outlined above, and we ask others in the Council to lend support. If there were more monitors, with stronger technical qualifications, reporting more frequently and in greater detail to the Committee, the United States would be placing fewer holds on items because it would have greater assurance concerning the proper monitoring of oil-for-food inputs. So let us do this quickly.

We view resolution 1284 (1999) as a vehicle for a robust improvement of the humanitarian situation in Iraq, and we want to see all aspects of it implemented as rapidly as possible. All of the humanitarian provisions requiring action by the Council or Committee have been completed or are in progress. I note in particular that the sanctions Committee and the Office of the Iraq Programme have completed work on the initial lists of pre-approved items for food, food handling, health supplies, education and agriculture. We expect these lists to be dynamic, not static, as new items are added.

Furthermore, as called for in paragraph 26 of the resolution, the Council approved a plan to allow Iraqi pilgrims to perform the Hajj. Baghdad's refusal to accept this plan was inexplicable and extremely disappointing.

The sanctions Committee has also made substantial progress on implementation of paragraph 18, which would set up a panel of oil experts. We expect this paragraph to be operational very soon.

What is ironic about this discussion is that, while the Council and the sanctions Committee have worked diligently, the Government of Iraq has done nothing but speak of rejection and non-cooperation. While today's discussion is about the humanitarian situation, we must also note that there are other critical aspects of resolution 1284 (1999) that are also humanitarian in nature, including disarmament and the issues of Kuwaiti prisoners of war and property. The Council must remain

united in its efforts to persuade Iraq to accept all aspects of resolution 1284 (1999).

In concluding this long review, it cannot be overemphasized that the Government of Iraq bears the primary responsibility for the welfare of its people. I must frankly state my disappointment that the Secretary-General, in his reports, has not reported in detail on Iraqi progress in meeting its obligations under paragraph 27 of resolution 1284 (1999). I would like to ask the Secretary-General and whomever he will appoint to head United Nations programmes in Iraq — an appointment which we hope is coming soon — to be much more vigorous in reminding the Government of Iraq of its obligations and to report regularly to the Council.

We would now like to see what the Government of Iraq is contributing to the education of its children and to the better health of its citizens. We are constantly told by Baghdad that oil-for-food is not doing enough, but what has the regime done?

Another task for the new head of the United Nations programme should be to draw up a plan for assisting vulnerable groups, perhaps in consultation with the International Committee of the Red Cross. This plan should include an invitation to humanitarian organizations to describe projects they would be willing to undertake in southern and central Iraq. In northern Iraq, United Nations agencies and non-governmental organizations are improving the lives of ordinary Iraqis. There is no reason Iraqis throughout the country should not have access to such assistance.

Reporting on distribution of supplies by sector is greatly appreciated. These reports continue to show that critical oil-for-food inputs are not being distributed in a timely manner. We request that the new head of the United Nations Programme in Iraq, as one of his or her first tasks, be charged with drafting a comprehensive plan for eliminating backlogs in distribution across all sectors, just as we are doing on holds.

We support the efforts of the Secretary-General to ensure that contracts are submitted by Iraq at a smooth pace, not bunched together at the end of a phase. We would also support more clarity in the distribution plan. I would also ask the Secretariat to inform the Council of the date it should expect to receive the prioritized list of humanitarian applications called for in resolution 1284 (1999).

I also note that we have no information that Iraq has dropped the requirement that the involuntarily displaced establish six months' residence before receiving assistance. We would welcome reporting on this matter.

Finally, my delegation would like to know what the prospect is for initiating de-mining in other parts of Iraq.

To sum up, we hope that all of our constructive suggestions can and will be put into effect. We call on Iraq to implement the recommendations made by the Secretary-General in his report. The Government of Iraq must immediately use a project-based approach to contracts; share baseline data or collaborate with the Office of the Iraq Programme to collect it where none is available; share data on the northern electrical grid; consider employing pre-shipment inspection agents and use better suppliers; strengthen cooperation with monitors; ensure regular distribution of a full food basket; implement a supplementary feeding programme; and, until it can be surpassed, meet the target calories per day.

The last chart we have distributed clearly demonstrates the positive impact of the oil-for-food programme on improving the food basket. It also shows that Iraq, right now, could — though it has chosen not to — put together a food basket that would dramatically improve the nutritional status of the Iraqi people. Iraq should also establish efficient distribution networks for targeted nutrition and supplementary feeding programmes; ensure adequate funding for basic public health care; and improve delivery and administration of drugs for chronic illnesses.

With regard to the Secretary-General's recommendations for the Committee established by resolution 661 (1990), we welcome further discussion on contract payment mechanisms and oil overseers. As I noted earlier, we are working to make our contract review procedures more rapid and transparent.

We believe that resolution 1284 (1999) holds the key to realizing more fully the potential of the oil-for-food programme. This is the first time such a massive programme has been undertaken by the United Nations and the successes of the programme to date are an enormous tribute to the hard-working men and women of the United Nations, whose vision, determination and dedication have made the programme the success it is today. We look forward to an even better programme as resolution 1284 (1999) is implemented.

Mr. Levitte (France) (*spoke in French*): I should like to begin by thanking the Secretary-General for his outstanding introduction to our debate today. I wish also to pay tribute to the very effective and dedicated efforts of all those who are working in difficult conditions in Iraq to implement the humanitarian programme.

In examining the Secretary-General's report today, the Security Council is considering once again the very serious humanitarian crisis in Iraq. I think it would be useful to review the main characteristics of this crisis in order to show the extent to which the Iraqi people have been profoundly affected by the deterioration in their living conditions.

Under the direction of Ambassador Amorim, the humanitarian panel reported that Iraq had experienced "a shift from relative affluence to massive poverty". It also confirmed that the disturbing figures given by United Nations agencies on the nutrition, health and social situation of the country are reliable and exact.

According to the United Nations Children's Fund (UNICEF), the mortality rate for children under five rose from 56 per 1,000 in the period 1984-1989 to the current 131 per 1,000. The infant mortality rate is among the highest in the world. One dramatic statistic in a recent British parliamentary report deserves mention: If the progress in health observed during the 1980s had been maintained through the following decade, 500,000 children would have survived.

The situation is scarcely better in the educational sector. According to UNICEF, the school attendance rate fell by 20 per cent between 1991 and 1999. The UNICEF representative who spoke to the Committee on Monday pointed out that education had lost value in Iraq today as the country's young people see their parents forced to accept jobs at a lower level than their studies had prepared them for. This "embargo generation" is a lost generation.

In the area of social services, the situation has also deteriorated. Only 41 per cent of the population has regular access to clean water, the quality of which has also deteriorated, according to the World Health Organization. Power cuts are frequent and growing longer. Iraq's health-care system has suffered greatly from the shortages of clean water and electricity. At this point, it is in a decrepit state, according to the International Committee of the Red Cross.

Lastly, the almost daily bombardments have had negative humanitarian effects on the civilian population. According to our information, these military actions killed 144 civilians and injured 446; 42 per cent of the victims in the air raids have been civilians.

An entire society is today living without structure and being destroyed. This will have long-term consequences for Iraq and for regional balance as a whole. Admittedly, the Iraqi Government bears a heavy share of the initial blame for this disastrous situation. But the Security Council can no longer disregard its own responsibility in the matter, which is indisputable and increasingly condemned by international public opinion.

Of course, in order to assist the Iraqi people, on the Security Council adopted resolution 986 (1995), the so-called oil-for-food programme, and significantly improved it with resolution 1153 (1998). As the report emphasizes, despite the difficulties encountered and its shortcomings, the programme has provided real assistance to Iraqis, especially in the areas of food and health. But we must keep in mind the conclusions of the humanitarian panel's report, which in paragraph 58 states,

> "The panel reiterates its understanding that the humanitarian situation in Iraq will continue to be a dire one in the absence of a sustained revival of the Iraqi economy, which in turn cannot be achieved solely through remedial humanitarian efforts."

Resolution 986 (1995), even though improved by resolution 1153 (1998), is only a partial and temporary response. Only the suspension of civilian sanctions, which can be envisioned in the context of implementing resolution 1284 (1999), then lifting them completely once the conditions have been fulfilled, will allow the country's economy to start growing again. Meanwhile, the members of the Security Council have a responsibility to improve the Iraq programme.

That is why we have closely examined the recommendations in the Secretary-General's report addressed, on the one hand, to Iraq and, on the other, to the sanctions Committee and the Security Council. These recommendations, which are intended to improve the effectiveness of the humanitarian programme, are welcome. With regard to the proposals addressed to Iraq, we hope that programme officials in New York and on the ground will examine with the Iraqi authorities ways and means to implement them quickly.

With regard to the recommendations addressed to the Committee, we hope they will all be applied resolutely and speedily. Many of these recommendations — on the oil supervisors, the procedures for reimbursement and the illegal contractual clauses — are aimed at correcting long-standing difficulties on which no progress has been made for months. This paralysis of the sanctions Committee is unacceptable. The French delegation, which has made numerous compromise proposals, is prepared to resume discussions without delay to break the present impasse in the Committee.

Several of the Secretary-General's recommendations concern the issue of holds, which have very serious effects. The report details their very negative impact on implementing the humanitarian programme. It is certainly legitimate to make sure that before goods are sent they are not liable to be used for prohibited ends. But the Council should recognize that the number of holds has become, as the Secretary-General has rightly said, so high that it is unacceptable. As the Russian Ambassador emphasized, $1.75 billion worth of contracts, an unprecedented level, are currently on hold. I would like to point out in particular the high rate in certain sectors essential to improving the humanitarian situation, such as electricity, water and agriculture. In these sectors, the rate of holds exceeds 50 per cent and has even reached 100 per cent in phase V of the telecommunications sector. With such high rates, the humanitarian programme can no longer function in these sectors.

The programme to purchase spare parts for the oil industry is also characterized by an excessively high rate of holds. The Secretary-General invites the Council to give its attention to this today, recommending that it approve an additional amount of $300 million for each of the final two phases.

Even last year we believed that the Security Council should assume its responsibilities in this area. We have not changed our opinion. The last report of the independent group of experts mandated by the Secretary-General presents, like previous reports, an eloquent picture of the Iraqi oil industry. The situation in all sectors of the industry continues to deteriorate, endangering the lives of workers, causing serious harm to the environment and damaging oil wells. Unless more spare parts are sent to Iraq quickly, the oil industry's capacity to maintain the current level of production will be compromised. Insofar as Iraq's entire revenue comes from the sale of oil, this warning should not leave the Council indifferent. If oil prices were to fall tomorrow, Iraq's ability to finance the humanitarian programme would be seriously diminished.

Consequently, we hope that the Secretary-General's recommendation will at last be heard by the Council. But this alone will not suffice. This measure will have a positive effect only if the spare parts are delivered quickly. The practice of excessive holds in this sector must therefore end. Spare parts with a total value of only $250 million have actually been delivered, whereas the Council has made available the equivalent of $1.2 billion in four phases. The decisions taken by the Council are therefore being largely ignored.

It is precisely to correct these malfunctions that France insisted that resolution 1284 (1999) contain an ambitious humanitarian section. It made a significant contribution to the drafting of that part of the resolution, which contains many technical improvements. Their implementation at this time does not, however, live up to our expectations. We regret in particular the fact that in the four months since the resolution was adopted, few measures have actually gone into force. The mechanism for notifying the Secretariat of contracts for food, medicines, agriculture and education will at last be implemented because holds were lifted yesterday. The application of paragraph 18, on the approval of the contracts for oil spare parts by independent experts is pending. Yet the implementation of these two provisions would lead to a significant drop in the number of holds.

The arrangements requested from the Secretariat, in application of paragraph 24 of the resolution, to implement a local cash component have still not been communicated to the Council. This measure could, however, improve the programme. All the humanitarian agencies agree on this point. We hope that these arrangements are presented to the Council as quickly as possible. Ms. Bellamy appealed to the Council several months ago to implement a local cash component. Could she give us her ideas on this issue today so as to help the Council consider how her recommendation could be quickly implemented?

We hope that the Security Council will be better informed of the situation on the ground, in particular by hearing from representatives of United Nations agencies and from the Humanitarian Coordinator on a more regular basis. We are convinced that if the Council were better informed, it would want to correct the shortcomings of the current humanitarian programme. But we need more in-depth consideration of this matter.

In this connection, I echo the Secretary-General's very pertinent comments this morning.

In 1999 the panel observed that, irrespective of the improvements that might be brought about, the magnitude of the humanitarian needs was such that those needs could not be met within the context of this programme. That statement is more pertinent than ever. It should prompt the Security Council to work in good faith and in a spirit of consensus for the implementation of the positive guidelines of resolution 1284 (1999) in order to encourage Iraq to cooperate, and thus to enable the sanctions to be suspended and then lifted. But beyond that, this situation should make the Council question, in the future, the effectiveness and consequences of broad, indiscriminate sanctions that hurt civilian populations exclusively and whose human cost clearly exceeds any political benefits that the Council could expect of them.

Mr. Wang Yingfan (China) (*spoke in Chinese*): I wish first of all to thank the Secretary-General for his report and for his very clear and concise briefing.

The Security Council's oil-for-food programme, which has been in place for more than three years, has yielded some achievements, but on the whole is far from satisfactory. As observed in paragraph 204 of the report of the Secretary-General (S/2000/208), "improvements in the humanitarian situation have been below expectations". This, I believe, is a view shared by the majority of Member States. Improving the humanitarian situation in Iraq is not as simple as allowing Iraq to import food and pharmaceutical and medical supplies. Rather, it is an operation involving all dimensions. For all the reviews the Security Council has conducted and the constructive proposals by Council members and the Secretariat in this regard, the enormous amount of attention and input has not yet yielded the expected results. What is the real problem? That is a question that deserves pondering.

The Secretary-General's report cites many factors that have affected or even exacerbated humanitarian suffering in Iraq. Here, I would like to focus on Iraq's oil export capability and on the issue of holds on contracts.

It is essential to maintain Iraq's oil production and export capability, because it is the basis for implementing the oil-for-food programme. Furthermore, only by maximizing Iraqi export revenues can the programme be better funded and executed. To that end, the Security Council decided by resolution 1284 (1999) to lift the ceiling on Iraq's oil exports. Nevertheless, oil production in Iraq has recently decreased rather than increased. On several occasions, the Saybolt expert group has underlined its professional conclusion that the Iraqi oil sector is outdated by a decade, and has noted the urgent need for it to be upgraded.

It is both necessary and practical for Iraq to have the funds earmarked for the procurement of oil spare parts increased from $300 million to $600 million. Otherwise, not only will unpredictable disasters occur in the Iraqi oil sector, but security and the environment in the entire Gulf region will be affected as well. Since last year, the Secretary-General has repeatedly asked the Security Council to approve that additional allocation; he reiterates the same request in his current report. We believe that the Security Council should take immediate action to resolve this long-outstanding issue.

Coupled with the underlying weaknesses of the oil-for-food programme, the increasingly serious problem of holds on contracts has exacerbated the deplorable humanitarian situation in Iraq. The Secretary-General's report of last October (S/1999/1086) indicated that 572 projects with a total contracted value of some $700 million had been put on hold. The report before us today says in paragraph 205 that by the end of January the total value of contracts on hold had exceeded $1.5 billion. According to the Office of the Iraq Programme's weekly report, by 6 March the number of contracts on hold from phase IV to phase VII had already exceeded 1,150, with a total value of more than $1.7 billion. Thus, in less than half a year, the number of contracts on hold doubled while their total value more than doubled. These figures alone reveal the seriousness of the problem.

The Security Council has repeatedly debated this problem, which is not really a complicated one, yet to date no effective solution has been adopted. But where the crux of the problem lies is crystal clear to many people.

One of the reasons given for putting holds on applications is that they involve dual-use items. Security Council resolutions strictly prohibit Member States from exporting any materials or equipment to Iraq for military purposes; to date there has been no evidence of violations in this regard by Member States in their exports to Iraq. The Secretary-General, when approving the distribution plans submitted by the Iraqi Government, also carries out a strict examination and check on all items to be procured so as to eliminate all items to be used for military purposes.

Thus, we believe that all contracts scrutinized by the Office of the Iraq Programme and submitted for approval by the sanctions Committee should be considered as conforming to all the relevant United Nations stipulations. But some members still ask exporting companies for additional technical specifications and other information. China has always provided positive cooperation with such unilateral requests, with the aim of facilitating the improvement of the humanitarian situation in Iraq. But members that have put holds on contracts do not respond in an efficient way. In July 1999, a Chinese company, which was going to export surgery microscopes to Iraq, provided detailed technical and end-user information in a timely manner. The purchaser and the supplier have not yet been informed of the outcome, despite repeated appeals by both parties for a response. Nobody knows how many patients in Iraq have suffered from the delay caused by the hold on this contract.

In another case, last year's drought in Iraq created an urgent need for the import of water pipes. But to this day, an application submitted by a Chinese company in 1998 has not been approved, merely because the contract includes pipe cutters.

Many contracts in the petroleum, power-generating, water-treatment and other sectors are interrelated. Under such circumstances, as long as one contract is on hold, even if the others have been approved, it is as if none of the related contracts had been approved either. For instance, Iraq has been permitted to import power generators, but the import of electricity cables is denied. It is common sense that without those cables none of the generators, with a total value of hundreds of millions of dollars, can serve any useful purpose, even though the installation might have been completed and the generators might be running.

Moreover, the Secretariat and other agencies operating in Iraq are all of the view that telecommunications in that country should be immediately improved to achieve better performance and results from the "oil-for-food" programme. However, although the Secretary-General has approved relevant procurement plans, and suppliers and purchasers have all more than once provided all of the required information and the necessary explanations to the members placing holds, almost 100 per cent of the contracts in this sector have been put on hold. In this context, the technical excuses for putting these holds on contracts are far from convincing.

Paragraph 203 states that to date the total amount of funds made available for the implementation of the programme has reached $13.2 billion, but the total value of the supplies delivered to Iraq is only $6.7 billion. In other words, almost half of the available funds have not really been utilized for the programme. Any unbiased party would agree that improving the oil-for-food programme is an immediate priority of the highest degree of urgency.

My purpose in citing so many figures and examples is only to make today's discussions conducive to the improvement of the oil-for-food programme, so that the Iraqi people can reap greater benefits from it. Here, I would like to make the following comments and suggestions.

First, the sanctions against Iraq have been in effect for 10 years, and their humanitarian consequences have been both broad and profound. According to a United Nations Children's Fund (UNICEF) survey last summer, in the past five years child mortality in Iraq has doubled, and maternal mortality has also increased greatly. A report of the International Committee of the Red Cross states that the average monthly salary in Iraq is only $2, unemployment is as high as 50 per cent, a large part of the Iraqi population lacks clean drinking water, and the public sanitation and health-care systems have been reduced to near-ineffectiveness. Stories and statistics of this kind abound. Unfortunately, to date the United Nations has not been able to launch a comprehensive review of the negative impact of the 10-year sanctions on Iraq in the economic, social, cultural, religious, human rights and other areas. China believes that the Security Council should address the Iraqi humanitarian issue, especially the impact of the sanctions, with a comprehensive and integrated approach and from a long-term perspective. We strongly believe that the Secretariat should prepare and submit such a comprehensive review report to the Security Council as soon as possible.

Secondly, as stated in the Secretary-General's report, the United Nations Office of the Humanitarian Coordinator for Iraq and other agencies in Iraq have conducted tens of thousands of inspections and checks on goods exported to Iraq. My delegation would like to be informed of the results therefrom in a timely manner. At the same time, we believe that enhancing the observation and monitoring capability of the Office of the Humanitarian Coordinator for Iraq may reassure some Council members as to the use of those goods, so that the

holds may be released expeditiously. The Secretary-General has already issued directives to the Office of the Iraq Programme in this regard, and we hope that that Office will be able to devise a concrete implementing plan very soon.

Thirdly, the efficiency of the sanctions committee is also pivotal to the better performance of the oil-for-food programme. Recently, many Member States have urged the Committee to improve its work with respect to contract approval, as current performance is less than satisfactory. I believe this should receive the serious attention of the Security Council. On the one hand, the relevant Committee members should expedite the release of holds. On the other hand, the sanctions Committee may also discuss modification of its working procedures in the general context of improving the overall performance of the sanctions Committees.

Moreover, the limited revenues from Iraqi oil exports should be used to the extent possible to purchase humanitarian supplies, rather than for administration or other expenditures. In this connection, how to optimize the division of labour within the Office of the Iraq Programme and the Office of the Humanitarian Coordinator for Iraq is a question worth considering. The Secretariat could approach the Iraqi side and discuss this matter with it.

Fifthly, we have always maintained that sanctions against Iraq will not help solve the problem. On the contrary, they will lead to tremendous humanitarian consequences. As a matter of fact, the 10-year sanctions have brought incalculable suffering to innocent Iraqi civilians. This is an objective and incontrovertible fact. This is by no means the original intention and purpose of the Security Council in imposing the sanctions. As the Secretary-General has repeatedly stated, the oil-for-food programme has been unable, and will be unlikely, to resolve the humanitarian crisis in Iraq. In our view, a fundamental solution lies in the timely lifting of the sanctions. Differences among Council members regarding the policy on the Iraqi issue are difficult to avoid, but innocent civilians, especially women and children, should never be victimized because of political differences.

I wish also to point out that certain countries have undertaken military actions in the no-fly zone that were not authorized by the Security Council. These have already exacerbated the Iraqi humanitarian crisis. We request the countries concerned to immediately cease all military actions and to rescind the no-fly zone.

In recent years, the Security Council has focused increasing attention on humanitarian issues and has held debates on humanitarian crises occurring in many areas, and in some cases relevant United Nations operations have been authorized and conducted. We believe that the Security Council, in addressing humanitarian issues, should proceed in accordance with the same standards and apply the same criteria to all regions and countries, avoiding both politicization and any kind of double standard. The same attention and input should be given to every case, be it the humanitarian crisis in Iraq, Kosovo, East Timor, African countries or elsewhere.

Mr. Fowler (Canada): Allow me to thank Secretary-General Annan for a thoughtful and incisive assessment of the humanitarian situation in Iraq, an assessment which we share.

The presence of the Secretary-General at the outset of our debate this morning serves to underscore the seriousness of the issue before us. He has admirably set the scene for the discussion we are having, and we are grateful he could be with us. It is not, of course, every day that we have the opportunity to discuss Iraq in this form and according to this format, and for that, Mr. President, I would very much like to commend you for your initiative in this regard.

Canada welcomes the report presented to the Security Council on the implementation of the humanitarian aspects of resolution 1284 (1999). In that regard, I would like to acknowledge the presence of the Executive Director of the Office of the Iraq Programme, Mr. Benon Sevan, and express our appreciation for his work and that of his staff in putting together the report and in working with the Council to implement resolution 1284 (1999). I would also like to welcome Ms. Carol Bellamy, Executive Director of the United Nations Children's Fund (UNICEF). Her agency's outstanding work in Iraq has recently been observed first-hand by a team of Canadian diplomats, who came away extremely impressed with UNICEF's work in Iraq and with what UNICEF has achieved with few resources. Our team also came away with a vivid impression of just how much more needs to be done.

It is Canada's position that the Council should do whatever it can within the mandate of existing Security Council resolutions to improve the humanitarian situation in which the Iraqi people find themselves. Let me say that the debate over who is to blame for the humanitarian situation in Iraq at this point — following, that is, the

invasion of Kuwait by Iraq and 10 years of comprehensive economic sanctions — sanctions as part of a ceasefire agreement successfully reversing that invasion — is, frankly, not useful. The concern which we share about smuggling and abuse of the oil-for-food programme raises the question of whether the sanctions might be better focused and targeted in order to be more humane and more effective.

We all know that Baghdad could have had sanctions lifted at any time over the past 10 years if it had chosen to comply with its Security Council obligations. It has not done so, and it must do so. Until it does, comprehensive economic sanctions cannot be fully lifted. The Council must continue to set a clear path towards the lifting of sanctions based on Iraq's compliance with relevant Security Council resolutions. We believe that resolution 1284 (1999) does that and provides for the interim step of a suspension of sanctions if Iraq makes progress acceptable to the Council on a list of key remaining disarmament tasks. It is therefore in Iraq's interest to accept the terms of resolution 1284 (1999) and begin to work towards the resolution of this file.

Perhaps the most important features of resolution 1284 (1999) are the humanitarian provisions which Canada actively supported and which were meant, in our view, to alleviate the suffering of the Iraqi people regardless of whether its Government chooses to cooperate with the Council on the other vitally important issues. The improvements called for in resolution 1284 (1999) provide for a more targeted and more efficient process for the administration of the Iraqi programme — for example, by streamlining the approval process for humanitarian items and by adding a much-needed cash component for the central and southern parts of the country.

We share the Secretary-General's hope expressed in the report that the resolution will enhance the impact of the programme in alleviating the humanitarian situation in Iraq. To achieve its full potential, the resolution must be implemented fully in both letter and in spirit. We note the progress made so far with the assistance of the Office of the Iraq Programme and urge all Member States to ensure that the terms of resolution 1284 (1999) are put in place as quickly as possible.

There are two main issues in this regard that the Secretary-General, UNICEF and other programmes and agencies have emphasized. One is the need to generate increased revenue, and the other is the need to lift holds on contracts for essential humanitarian supplies and goods. Security Council resolution 1284 (1999) raised the ceiling on Iraqi oil exports, but as the Secretary-General's own expert report concludes, achievement of the humanitarian objectives laid out in resolution 1284 (1999) will depend in large measure on Iraq's ability to continue to generate sufficient oil revenues to fund the programme. The findings of the oil expert group dispatched to Iraq are clear. Without increased funding for and improved delivery of oil spare parts, the Iraqi oil industry will be unable to sustain current production levels. Therefore, Canada supports the recommendation of the expert group and the Secretary-General to increase, on a permanent basis, the allocation for oil spare parts to $600 million for every phase. We hope to see the draft resolution on this matter, presented by the United States of America, adopted by the Security Council as quickly as possible.

Increased revenue will be meaningless if essential supplies do not actually get delivered to the Iraqi people who so clearly need them. Throughout the Secretary-General's report, there are repeated examples of the degree to which holds have seriously undermined the objectives of the Iraq Programme. We share the general conclusion that holds are a key impediment to the implementation of the humanitarian programme and believe every effort must be made to reduce the number and the length of holds on humanitarian contracts, notwithstanding oft-repeated concerns relating to the adequacy of available information or concern about end use. In both cases, streamlined procedures in New York and in Iraq can be put in place. Improvements in the way applications are made and information is provided, coupled with enhanced observation mechanisms, as proposed by the Secretary-General, are key first steps.

While we remain concerned about dual-use programmes and understand the need to remain vigilant, all Members must take a harder look at the kinds and the numbers of the holds they place on various applications so as to weigh their potential impact on the broader humanitarian programme against the risk — the real risk — of diversion for proscribed purposes. Dual-use concerns need to be kept focused and realistic. We look forward to real movement on this issue — and soon.

As for Iraq's role in implementing Security Council resolution 1284 (1999), we applaud the Secretary-General's consistent refusal to let the Government of Iraq off the hook in his assessment of many of the problems that have plagued the implementation of the Iraq programme. Canada knows from recent first-hand experience the difficulties that can be encountered as a

result of Iraqi efforts, deliberate or otherwise, to block the delivery of much-needed supplies. The Secretary-General's report makes very clear the areas where Iraqi cooperation can improve. We strongly urge the Government of Iraq to accept the recommendations contained in this report and ensure that the implementation and administration of the humanitarian programme receives the full support of the Government in Baghdad.

While we look forward to improvements in the delivery of humanitarian assistance, we also realize that the Security Council must also make progress on the other elements of its resolution 1284 (1999), including, of course, with regard to prisoners of war. This will require Iraq's acceptance of the resolution in full. When Iraq accepts the resolution, we are hopeful that a new relationship between Iraq and the Council can be established, and, therefore, our message is clear. Resolution 1284 (1999) marks a new phase in the Council's approach to Iraq. It will help further alleviate the suffering of the Iraqi people, and it offers a clear path towards the suspension and lifting of sanctions, which we are committed to pursuing. However, Iraq must also establish its commitment to the resolution before such a new relationship can be begun.

Mr. Ben Mustapha (Tunisia) (*spoke in French*): I would like at the outset to thank the Secretary-General for his illuminating report and for the statement he made this morning, as well as for the recommendations he has made to improve the implementation of the humanitarian programme in Iraq.

I would like also to thank Mr. Sevan, the Executive Director of the programme, and his team, which is responsible for overseeing the programme's implementation in the field.

This is an important meeting that the Security Council is holding today to consider the humanitarian situation in Iraq, a country that for some 10 years now has been subject to a comprehensive sanctions regime. In 1995 the Security Council established by resolution 986 (1995) a wide-ranging humanitarian programme aimed at meeting the basic needs of the Iraqi people. Three and a half years have elapsed since the programme got under way, and it seems to us that now more than ever the Council needs to devote particular attention to the humanitarian situation in Iraq.

Some general consideration has been given to the worsening humanitarian situation in Iraq, indicated, according to various sources, by an overall drop in the full range of socio-economic indicators. The most alarming aspect of this drop is the unprecedented rise in the infant mortality rate, as has been reported by the United Nations Children's Fund. The resulting suffering has been borne by all strata of the Iraqi population.

We have at our disposal many reports that the Secretary-General has submitted to the Security Council regarding the implementation of the oil-for-food programme. In particular we have the consolidated report, submitted by the Secretary-General in accordance with the requests contained in resolutions 1281 (1999) and 1284 (1999). The Council, in requesting studies of such diverse aspects of the humanitarian situation, certainly wished and was concerned to learn more about what was really happening in this regard.

The eagerly awaited report of the Secretary-General provides us with a wealth of information about the serious deterioration of the socio-economic situation in the country. The report highlights the fact that the oil-for-food programme has provided considerable assistance to all the sectors in order to meet the urgent humanitarian needs of the Iraqi people, but at the same time it acknowledges that, despite some improvements, the results of the programme still fall short of expectations. This is particularly true in certain key sectors of the economy, which is regrettable.

The Secretary-General describes in great detail the obstacles to an effective implementation of the oil-for-food programme. He gives us a distressing assessment of the oil sector, which, as we all are aware, is of fundamental importance to Iraq's economy, since oil alone generates all the income necessary for importing basic humanitarian staples.

Thanks to the report of the Secretary-General, we have a comprehensive idea of the status of the oil sector. It is clearly suffering for want of the substantial capital investment urgently needed to rehabilitate the sector and help it attain the necessary production capacity so as to comply with the decision taken by the Council in resolution 1284 (1999), which provides for an increase in the ceiling on oil exports from Iraq. Resolution 1284 (1999) will not be fully effective unless the oil sector can step up production, and unless it is able to obtain in time the spare parts and equipment necessary for maintenance and upgrading.

The Secretary-General blames the lack of spare parts for the limitations of the oil-production infrastructure. He stresses that the lack of spare parts has damaged both the oil wells and the environment. As a corollary, the Secretary-General reiterates his previous recommendation that the allocation for the acquisition of spare parts be increased to $600 million for both phase VI and phase VII of the programme, and he notes that the necessary funds are now available because of the increase in oil prices. This is why we welcome the agreement that has emerged in the Council with a view to adopting a draft resolution providing for such an increase.

Nonetheless, the issue of financial resources is not the only difficulty the programme is facing. Another major obstacle is described in the Secretary-General's report: the holds placed on export contracts for humanitarian goods. As the Secretary-General notes, the number of contracts placed on hold has become "unacceptably high" in view of the impact of these holds on the achievement of the objectives of the humanitarian programme. The oil sector is one of those most affected by these holds, and it thus suffers from the combined effects of the lack of financial resources and of the holds.

Furthermore, striking details have been provided to us regarding entire sectors such as electricity, water, agriculture, transportation and other related sectors on which all aspects of daily life depend. These sectors are all being hampered to varying degrees because of a lack of parts, which cannot be imported because the contracts for them are placed on hold — and some of them have been on hold for several months. We are aware of the reasons given, *inter alia*, fears about possible dual use; but sufficient explanations are not provided — and the Multidisciplinary Observation Unit deployed in the field is capable of providing necessary assurances in this regard.

After 10 years of sanctions and the implementation over a four-year period of a humanitarian programme unprecedented in the history of the United Nations, we believe that it would be useful and relevant to immediately undertake a thorough analysis of the situation in all of its aspects, including compliance with the provisions of relevant resolutions of the Security Council and the cumulative impact of these provisions.

We need to find a middle way between achieving the desired objective and minimizing the collateral effects of the sanctions. To address the concerns of the Secretary-General — concerns we share — the Council could adopt an approach that would focus on certain priority areas. These priority areas could be: conducting regular assessments of the impact of sanctions by acquiring first-hand knowledge about each sector affected; significantly improving the implementation of the oil-for-food programme, in particular by introducing greater adaptability and flexibility to the contract-approval process; speeding up the implementation of the provisions of resolution 1284 (1999) relating to the humanitarian aspect; and finding an appropriate solution to remedy the build-up of holds.

In addition to dealing with these immediate necessities, there is a need to adopt a gradual approach so that we can strike a balance between implementing Security Council resolutions and trying, as far as possible, to ensure that those same resolutions do not cause collateral damage. This will require an objective approach whose ultimate goal is to confer effectiveness and credibility on any sanctions regime.

It is true that, over the past decade, the practice of the Organization with regard to sanctions has revealed the need to avoid, as much as possible, aggravating humanitarian situations, which are the responsibility of the United Nations system as a whole as well as of civil society.

The humanitarian concept is a unique and universal one; it is a basic component of peace and stability everywhere. This concept should not suffer from a selective approach. We are talking today about the Iraqi people, but that does not in any way mean that we should allow other situations in the region to be overshadowed, such as that relating to Kuwaiti missing persons. The resolution of the problem of the Kuwaiti missing persons would doubtless contribute to building confidence among the peoples of the region and would help us make steady progress in adopting a global approach to the overall situation.

The opportunity that you, Mr. President, have provided to the Council to discuss this very important issue has proved very useful. The frank exchange of views that is emerging, together with the comments of the Secretary-General, will certainly enable the Council once again to prove that it is responsive to international realities and that it duly takes them into account when necessary.

In this context, we believe that the humanitarian aspect is just one part of the Iraqi issue as a whole — an issue that must continue to be part of a forward-looking

vision for the region that will enable Iraq to resume its rightful place in the region and within the international community, while also enabling all the peoples of the region to find the peace and harmony that are prerequisite for stability throughout the region.

Mr. Ouane (Mali) (*spoke in French*): I should like to begin by thanking you, Mr. President, and, through you, the delegation of Bangladesh, for having devoted an open briefing to our consideration of the report of the Secretary-General of 10 March 2000 on the implementation of paragraphs 28 and 30 of resolution 1284 (1999) and paragraph 5 of resolution 1281 (1999). Your initiative, which we fully support, will certainly serve the objective of enhancing the transparency of the work of the Security Council. I should also like to thank the Secretary-General for his report and for his introductory remarks, which have given the Council a clear picture of the humanitarian situation in Iraq.

We have studied the report carefully, and my delegation would like to make the following comments on it. First, the report underscores the progressive deterioration of Iraq's basic infrastructure, which is affecting the humanitarian needs of the Iraqi people. The group of experts set up by this Council has identified many problems that have hampered the proper execution of the humanitarian programme, whose implementation, I hardly need recall, is governed by the provisions of resolution 986 (1995), subsequent relevant resolutions and the Memorandum of Understanding concluded on 20 May 1996 by the Secretary-General and the Iraqi Government.

In this regard, the report indicates that, although in resolution 1153 (1998) the Council authorized an increase in the level of financing of the programme from $1.32 billion to $3.4 billion per phase, the time required to correct the worsening humanitarian situation proved to be longer, the revenue shortfall in phases IV and V — some $2.2 billion — was sizeable, and the results fell short of expectations.

Similarly, the report stresses the negative effects of holds on the humanitarian programme, in particular those holds relating to electricity, water and sanitation, transport and telecommunications, the notification mechanism for contracts relating to food, medicines, agriculture and education, and the approval of contracts for oil spare parts.

Mali is gravely concerned about this situation, even though, as the report indicates, the humanitarian programme, which is currently in phase VII, was not designed as a means of meeting all the humanitarian needs of the Iraqi people.

Secondly, the sanctions Committee, the Security Council and Iraq should now study carefully those recommendations contained in the report of the Secretary-General that relate to each of them.

Because it bears a share of the responsibility for the situation in Iraq, in particular the humanitarian plight of its people, the Iraqi Government must, in the view of my delegation, take action to implement the recommendations in paragraph 207 of the Secretary-General's report, as well as those spelled out in his supplementary report of 1 February 1998 that have not yet been put into effect.

Similarly, we believe that the recommendations addressed to the sanctions Committee, as set out in paragraph 208 of the report of the Secretary-General, should be implemented fairly quickly, as they are aimed at breaking the current deadlock in that Committee.

With regard to the recommendations to the Security Council in paragraph 209 and subsequent paragraphs of the report, we believe that they should be put into effect in order to remedy the shortcomings of the existing humanitarian programme. In this regard, we should, as a matter of priority, put an end to the excessive use of holds.

Mr. Yel'chenko (Ukraine): Our delegation is grateful to you, Mr. President, for finding the most appropriate format for this important meeting. I would like to thank the Secretary-General for his introduction of the report. I would also like to extend my words of appreciation to the Office of the Iraq Programme, which has been carrying on its shoulders the main workload of implementing the humanitarian programme.

The report submitted by the Secretary-General is comprehensive and substantive. It provides us with a clear and realistic view of achievements and failures in the process of implementation of the relevant Security Council resolutions. Through the report, we have received an objective picture of our achievements, as well as of unresolved and outstanding issues, definite proposals and the prospects for improvement.

However, the report evokes some mixed feelings. On the one hand, real progress has been achieved in some areas and practical measures have been undertaken to meet the urgent needs of the Iraqi people. On the

other, the large number of accumulated and unresolved problems predetermines negative trends, which are yet to be overcome. Will these negative trends predominate, and if so, for how long? When will we manage to stop stagnation in some areas and turn it into stable progress? The answers to these questions depend upon our decisive and prompt actions in order to encourage Iraq to meet its own obligations, which would then lead to the suspension and eventual lifting of sanctions.

In our view, the Secretary-General's grave concern about the present humanitarian situation in Iraq is the core of his report, and we fully share this view.

It is not by chance that the report begins with the section on the status of the oil industry. Needless to say, the oil industry is a backbone of the entire humanitarian programme and the guarantee of its successful implementation. The findings of the group of oil experts established by the Secretary-General pursuant to paragraph 30 of resolution 1284 (1999) are really disturbing. The situation in the oil industry is lamentable and continues to deteriorate. Iraq can no longer sustain high rates of oil production without a resolute reconstruction of its oil facilities.

We believe that the group of oil experts has done significant work in Iraq and its recommendations should be of practical use to the Council. Therefore, we fully support the proposal of the Secretary-General to allocate $600 million for oil spare parts and equipment, which is double the amount approved by resolution 1281 (1999). In this regard, we consider that the initiative to adopt a Security Council resolution to this end is a timely one.

We should also entrust the Committee established by resolution 661 (1990) to expedite consideration of the procedures for approval of the spare parts contracts and to establish a group of experts in accordance with paragraph 18 of resolution 1284 (1999). This will facilitate the expeditious approval and arrival of the necessary spare parts and equipment to Iraq.

Given the present substantial increase in the price of oil and the improvements authorized by the Council for programme implementation, all the preconditions are present to accumulate the funds necessary to attain the programme's objectives. But this can be achieved only if all the parties involved in its implementation fully cooperate, in particular in the review and approval of applications.

The practice of placing applications on hold continues to have serious implications for the effective implementation of the programme. The Office of the Iraq Programme has elucidated this problem several times. The report explicitly reveals the negative trend. There continues to be a steady increase in both the numbers of applications placed on hold and their value. The figures are well known. I could not agree more with Ambassador Van Walsum of the Netherlands: They are intolerably high.

In this context, we should recognize that the Council failed to implement the recommendations endorsed in its resolution 1153 (1998) to review annexes to the distribution plans at the outset in order to identify as early as possible those items which could be subject to holds and those on which further information and end-use verification are likely to be required.

We should also recognize that we failed to implement some other recommendations made by the Secretary-General in this regard, as he rightly points out in his report. We should accept our share of responsibility for the disturbing situation in such sectors as health, water and sanitation, and electricity, which suffer the most under the deficit. The lack of spare parts and poor maintenance causes the deterioration of equipment at power stations, hospitals, water purification systems and elsewhere. The lack of medicines and food products of good quality and poor living conditions affect the most vulnerable part of the population, the children. According to the United Nations Children's Fund, mortality among infants and children under five has risen dramatically under the sanctions regime. It is regrettable that the sanctions regime, introduced as a powerful tool to stop aggression, has become a tool for punishing the ordinary people.

The humanitarian programme is often referred to as a unique one and as a temporary measure to provide for the humanitarian needs of the Iraqi people. Yes, it is. One can just imagine what degree of misery and suffering the Iraqi people would have sustained if this programme had not been launched. But this in no way means that it cannot be criticized in terms of its implementation, shortcomings and bottlenecks originated by its creators. It would be unfair not to mention the years-long efforts of the programme's officers in the field, who provided its practical implementation on day-by-day basis and who experienced on their own all its disadvantages and limitations. Here, I cannot but mention the recent

resignation of the Humanitarian Coordinator in Iraq, Mr. Von Sponeck.

We note that, in the Secretary-General's report, there are a number of critical remarks addressed to the Government of Iraq. We believe that Iraq, too, should draw very serious conclusions on its part. We would also like to hear more about the state of cooperation between the United Nations agencies in Iraq and the local and central authorities of that country. Finally, we would like to suggest that all the recommendations made by the Secretary-General in his report, as well as those made by the delegations during this debate, should be carefully considered by the Committee established by resolution 661 (1990).

In conclusion, I cannot but mention another aspect of the humanitarian problem, which is not directly related to today's discussion, but constitutes one of the essential parts of resolution 1284 (1999). I refer specifically to section B of the resolution, which relates to the issue of the repatriation or return of all Kuwaiti and third country nationals or their remains. We sincerely hope that the recent appointment of Ambassador Vorontsov as the coordinator for these highly sensitive human issues, as well as for the return of property and archives seized by Iraq, will expedite our common efforts to this end. We look forward to hearing a briefing from the coordinator as soon as possible.

The President: There are a number of speakers remaining on my list. In view of the lateness of the hour, and with the concurrence of the members of the Council, I intend to suspend the meeting now.

The meeting was suspended at 1.15 p.m.